

DD/A Registry

File Contracts

1 MAY 1976

MEMORANDUM FOR: Director of Central Intelligence

FROM : John F. Blake  
Deputy Director for Administration

SUBJECT : Communications Between Agency Personnel and  
Contractor Personnel Regarding Agency  
Contracts - Contract Overruns

REFERENCE : Mult. Addse. memo dtd 15 Apr 76 to Deputy  
Directors fm DD/A same subject

Sir:

While there have been several cases of improper communications between Agency technical personnel and contractor personnel as well as overruns which hindsight might indicate the possibility of a "buy in," the referenced memorandum was issued for the following somewhat generic reasons:

a. The problem of keeping communications in channels in the Government contracting process is a recurring one and is not unique to the Central Intelligence Agency. As noted in paragraph 2 of the referent memorandum, a number of Agency contractors voiced their concern on this matter.

b. In the area of overruns, while our record continues to be good, the frequency and magnitude of overruns during FY 1976 has been somewhat more serious than in prior years. Overruns will always be with us since, in many of our contracts, we are pushing the "state of the art." While recognizing this fact, we continue to seek out and correct the problems resulting in overruns and solicit the assistance of the technical offices by calling attention to some of the more frequent causes.

OL 6 2166

SUBJECT: Communications Between Agency Personnel and Contractor  
Personnel Regarding Agency Contracts - Contract Overruns

c. The unobligated balance of FY 1975 funds is low (approximately \$1,000,000), and both Jack Iams and we felt it was timely to caution operating officials not to place great reliance on prior year funds being available to bail them out of overrun situations.

*15/John F. Blake*  
John F. Blake


Att  
Reference

Distribution:

- Orig & 1 - Addressee (w/att)
- X* - DD/A (w/att) *Adj.*
- 1 - OL Official(w/o att)
- 1 - ER

Originating Office:

STATINTL

  
Michael P. Malanick  
Director of Logistics

*28 April 1976*  
Date

Approved For

SENDER WILL CHECK CLASSIFICATION TOP AND BOTTOM		
UNCLASSIFIED	CONFIDENTIAL	SECRET
Release 2001/07/30 : CIA-RDP79-00498A000200050037-4		
OFFICIAL ROUTING SLIP		
71-19651		

TO	NAME AND ADDRESS	DATE	INITIALS
1	Director of Central Intelligence	21 APR 1976	JB/ks
2	Room 7D-5607		
3	Headquarters		
4	DD/A/ Rf. Blake		
5			
6			

ACTION	DIRECT REPLY	PREPARE REPLY
APPROVAL	DISPATCH	RECOMMENDATION
COMMENT	FILE	RETURN
CONCURRENCE	INFORMATION	SIGNATURE

Remarks:

Sir:

I believe it worth your time to read only the covering memorandum.



John F. Blake

22 APR 1976

*Each - was this prompted by any particular case?? CB*

STATINTL

FOLD HERE TO RETURN TO SENDER		
FROM: NAME, ADDRESS AND PHONE NO.		DATE
Deputy Director for Administration		4/20/76
Release 2001/07/30 : CIA-RDP79-00498A000200050037-4		
UNCLASSIFIED	CONFIDENTIAL	SECRET

Approved For